

# Council Action Adopting the City Property Tax Levy

Council File # 03-1086  
Green Sheet # 3008796

18

## RESOLUTION

CITY OF SAINT PAUL, MINNESOTA

Presented By: Lee Ny

Referred To: \_\_\_\_\_ Committee: \_\_\_\_\_ Date: \_\_\_\_\_

1 WHEREAS, the Mayor, pursuant to the City Charter has proposed and recommended the 2004 budgets for the City of Saint  
2 Paul, and  
3  
4 WHEREAS, the proposed 2004 General and General Debt Service budgets have been reviewed and approved or amended by  
5 Council, and  
6  
7 WHEREAS, the City is required under Laws of Minnesota 2002, Chapter 390, Sec. 37, to levy a tax at the Library Board's  
8 request, which the Library Board has made, and  
9  
10 WHEREAS, the property tax levy needed to finance those budgets, with allowance for shrinkage, has been determined, and  
11  
12 WHEREAS, the Port Authority of the City of Saint Paul requests a property tax levy to finance economic development  
13 budgets under laws of Minnesota, Chapters 469.053 subd 4, and 6,  
14  
15 NOW THEREFORE BE IT RESOLVED, the City Council in anticipation of adopting General Fund, General Debt Service, and Library  
16 Agency budgets for the fiscal year 2004 in accordance with section 11.04 of the City Charter, the City Council does hereby  
17 levy taxes on all taxable property within the Saint Paul corporate limits, to be collected in the amounts set forth below, and  
18  
19 BE IT FURTHER RESOLVED, the City Council directs the City Clerk to forward this resolution to the Ramsey County  
20 Department of Taxation in accordance with the applicable provisions of the City Charter and other laws, and  
21  
22 BE IT FURTHER RESOLVED, the City Council directs the Financial Services Office to complete and forward any state forms  
23 required identifying these adopted levies;  
24  
25  
26  
27

| Description   | Tax Levy<br>Payable in 2003 | Tax Levy<br>Payable in 2004 | %<br>Change |
|---|-----------------------------|-----------------------------|-------------|
| City levy for city operations and shrinkage             | 43,854,868                  | 42,427,358                  | -2.59%      |
| City levy for Debt Service and shrinkage                | 18,838,355                  | 10,262,886                  | -45.52%     |
| City levy for Library Agency operations and shrinkage   | 0                           | \$,855,007                  | Not. Appl.  |
| City levy for Port Authority levy per Mn. Stat. 469.053 | 1,450,000                   | 1,382,000                   | -4.69%      |
|   | 63,343,263                  | 63,927,263                  | 0.13%       |

|         | Yea                                 | Nay                      | Absent                   |
|---------|-------------------------------------|--------------------------|--------------------------|
| Benarav | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Blaney  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Bostrom | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Colman  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Harris  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Helgen  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Lantry  | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

Adopted by Council: Date December 17, 2003

Adoption Certified by Council Secretary:

By: Mary Erickson

Approved by Mayor: Date 12-19-03

By: Kenney J. Fisher

Requested by Department of:

Executive Administration

By: Matt Smith

Approval Recommended by Director of Financial Services

By: Cliff Smith

Form Approved by City Attorney:

By: W. H. Smith

Approved by Mayor for Submission to Council:

By: Kenney J. Fisher

Printed by the Saint Paul Office of Financial Services Q:\FIN\REC\BUDGET\2004\Council\Levy\Resolution.doc 12/18/03

# Council Action Adopting the City Budget (page 1)

# Council Action Adopting the City Budget (page 2)

Council File # **03-1087**  
Green Sheet # **3008676**

## RESOLUTION

CITY OF SAINT PAUL, MINNESOTA

19

Presented By: *Jim Hily*  
Referred To: \_\_\_\_\_ Committee: \_\_\_\_\_ Date: \_\_\_\_\_

- 1 WHEREAS, the Mayor has proposed budgets for the City of Saint Paul for the fiscal year beginning January 1, 2004, in accordance with
- 2 the City Charter and Chapter 56 of the Administrative Code; and
- 3
- 4 WHEREAS, the City Council, after publication of the notice in the newspaper on December 2, 2003, participated in a public hearing on
- 5 December 9, 2003, on the Mayor's Proposed 2004 budgets, as required by the City Charter and applicable state and Federal laws; and
- 6
- 7 WHEREAS, the Council has revised the Mayor's proposed budgets as herein set forth; now therefore be it
- 8
- 9 RESOLVED, that in accordance with the procedures and requirements set forth in the City Charter and other laws applicable thereto,
- 10 the Council of the City of Saint Paul does hereby adopt the 2004 budgets as proposed by the Mayor with such monetary changes, additions
- 11 and deletions as are hereby adopted and which, along with total budgets, are set forth on the attachments to this resolution; and be it
- 12
- 13 FURTHER RESOLVED, that the expenditures in dollars as may be made by the several offices, departments, bureaus, and agencies of
- 14 city government during the fiscal year 2004 shall be, and are hereby approved, and adoption of these budgets shall constitute
- 15 appropriations of the money amounts as set at the department budget total in the General Fund budget, the project total in the Capital
- 16 Improvements budget, and the fund budget total in all other cases.
- 17
- 18 FURTHER RESOLVED, that the estimated financing set forth in the 2004 adopted budgets is hereby approved; and be it
- 19
- 20 FURTHER RESOLVED, that the adoption of the 2004 budget for the Community Development Block Grant Fund (100)
- 21 is a multi-year budget based on estimates for a grant which has a fiscal period that differs from the City's
- 22 normal budget year (January 1 through December 31); the authority to implement this adopted multi-year budget
- 23 commences only at the beginning of the grant period and shall extend beyond December 31, 2004, through the end of the grant period
- 24 and; during the year when the grant is accepted by the City Council, the budget will be amended to match the actual grant
- 25 amount for the entire multi-year period; and be it
- 26
- 27 FURTHER RESOLVED, that the City Clerk is directed to publish the 2004 budget summary pursuant to Minnesota Statutes section
- 28 471.6955 in the format prescribed by the Office of the State Auditor; and be it
- 29
- 30 FINALLY RESOLVED, that the Director of Financial Services be and is hereby authorized to prepare the final 2004 Budgets in accordance
- 31 with the actions taken herein and to equalize, balance or set the final department revenue sources and department appropriations as
- 32 necessary.

|         | Yeas | Nays | Absent |
|---------|------|------|--------|
| Benav   |      |      |        |
| Blakey  | ✓    |      | ✓      |
| Bostrom | ✓    |      |        |
| Coleman | ✓    |      |        |
| Harris  | ✓    |      |        |
| Helgen  | ✓    |      |        |
| Lantry  | ✓    |      |        |

Adopted by Council: Date Dec. 17, 2003

Adoption Certified by Council Secretary:

By: *Mary Erickson*

Approved by Mayor: Date 12-24-03

By: *Kenning Fisher*

Requested by Department of:

Executive Administration

By: Matt Smith

Approval Recommended by Director of Financial Services

By: *Flatt*

Form Approved by City Attorney:

By: *Wisa B. Keith*

Approved by Mayor for Submission to Council:

By: *Kenning Fisher*

Prepared by the Saint Paul Office of Financial Services (G:\Share\Budget\2004\Council\resbud.cil 12/04/03)

## 2004 Budget Process

12/17/03 3:00 PM FINAL

## Council's Fiscal Changes

General Fund and Debt Funds

| Description  | Source of Recommendation  | Change from Mayor's - Adopted by Council             |   |           |
|--|---|--|---|-----------|
|  |   | Line Item  | Spending  | Financing |
| <b>City Attorney</b><br>No changes to Mayor's Proposed Budget  | City Council 12/03/03   |  |   |           |
| <b>Citizen Services</b><br>Move NHPI spending budget to new NHPI budget<br>Move NHPI financing budget to new NHPI budget   | City Council, 11/26/03, Tech Change<br>City Council, 11/26/03, Tech Change  | 00256-00258<br>00256-00258                           | (2,446,577)   | (942,050) |
| <b>City Council</b><br>Add funding in contingency related to full-time director position   | City Council, 12/03/03  | 00001  | 130,000   |           |
| <b>Office of Financial Services</b><br>Adjustment to Central Service Costs<br>Fin. (from LIEP - \$3784 & Parks +\$1267 +\$1,100 Vend. Outrch)  | City Council, 11/26/03, Tech Change   | 00000-7399   |   | (1,417)   |
| <b>Fire and Safety Services</b><br>Adjustment in Amanda funding anticipated in the proposed budget (see Technology)  | City Council, 11/26/03, Tech Change   | 05110 - 0235   | 1,350   |           |
| <b>Human Resources</b><br>No changes to Mayor's Proposed Budget  |   |  |   |           |
| <b>Human Rights</b><br>No changes to Mayor's Proposed Budget   | City Council 12/03/03   |  |   |           |
| <b>Libraries</b><br>See Public Library Agency  |   |  |   |           |
| <b>License, Inspection and Environmental Protection</b><br>No changes to Mayor's Proposed Budget   | City Council 12/03/03   |  |   |           |
| <b>Mayor's Office</b><br>No changes to Mayor's Proposed Budget   | City Council 12/03/03   |  |   |           |
| <b>Neighborhood Housing and Property Improvement</b><br>New NHPI spending budget from CSO budget<br>New NHPI financing budget from CSO budget  | City Council, 11/26/03, Tech Change<br>City Council, 11/26/03, Tech Change  |  | 2,446,577   | 942,050   |
| <b>Parks and Recreation</b><br>No changes to Mayor's Proposed Budget   | City Council 12/03/03   |  |   |           |
| <b>Planning &amp; Economic Development</b><br>No changes to Mayor's Proposed Budget  | City Council 12/03/03   |  |   |           |
| <b>Police Department</b><br>Rice Street store front lease costs  | City Council 12/17/03   | 04100  | 12,000  |           |
| <b>Public Works</b><br>No changes to Mayor's Proposed Budget   | City Council 12/03/03   |  |   |           |
| <b>Technology &amp; Management Services</b><br>Adjustment in Amanda funding anticipated in the proposed budget (see Fire)  | City Council, 11/26/03, Tech Change   | 01119-0280   | (1,350)   |           |
| <b>General Government Accounts</b><br>Cancel Civic Organization Partnership Program<br>Create new Neighborhood Ward Initiatives Program<br>Provide funding for Youth Service bureau<br>Add funding related to a Worker's Compensation Administrator<br>Reduce Worker's Compensation costs  |   | 09100<br>09100<br>09100<br>09020<br>09020            | (138,662)<br>88,562<br>50,000<br>87,000<br>(87,000) |           |
| <b>Property Tax Levy Financing</b><br>Adjustment to Library Agency Financing<br>(moving more General Fund tax levy financing to the Library Agency in lieu of LGA)<br>Property Taxes - shift to Library Agency<br>Property Taxes shift from Debt Service (City Council)<br>Property Taxes shift from Debt Service (technical change)<br>Property Taxes - related to Port Authority | City Council 9/10/03<br>City Council 9/10/03<br>City Council 12/03/03<br>City Council 12/03/03<br>City Council 12/03/03 | 00000-1001<br>00000-1001<br>00000-1001<br>00000-1001 | (1,386,480)<br>130,000<br>320,000<br>21,928         |           |

## Council Action Adopting the City Budget (page 3)

### 2004 Budget Process

12/17/03 3:00 PM FINAL

### Council's Fiscal Changes General Fund and Debt Funds

| Description  | Source of Recommendation            | Change from Mayor's - Adopted by Council |             |             |
|--|-------------------------------------|--|-------------|-------------|
|  |                                     | Line Item                                | Spending    | Financing   |
| <u><b>Other Financing</b></u>  |                                     |  |             |             |
| Adjustment to Library Agency Financing<br>(moving more General Fund tax levy financing to the Library Agency in lieu of LGA) | City Council 9/10/03                |  |             |             |
| Local Government Aid   | City Council 9/10/03                | 00000-3401                               |             | 1,386,480   |
| Decrease in Hotel/Motel Rev. (net of -\$87,020 less revenue, plus \$12,000 from decrease in Act. 30108 reserve).             | City Council, 11/26/03, Tech Change | 00000-1401                               |             | (75,020)    |
| Expiration of Low Income Housing Aid   | City Council, 11/26/03, Tech Change | 00000-3445                               |             | (272,192)   |
| Adjustment needed to balance technical changes   | City Council, 11/26/03, Tech Change |  |             | 18,701      |
| <u><b>Fund Balance</b></u>   |                                     |  |             |             |
| Adjustment needed to balance City Council changes  |                                     |  |             | 0           |
| <b>Total, Council's Changes</b>  |                                     |  | 142,000     | 142,000     |
| <b>Mayor's Proposed General Fund Budget</b>  |                                     |  | 154,343,497 | 154,343,497 |
| <b>Council's Preliminary General Fund Budget</b>   |                                     |  | 154,485,497 | 154,485,497 |
| <b>Balance Indicator</b>   | <b>Current Status:</b>              | <b>Balanced Budget</b>                   |             | 0           |

|  |                        |            |            |                        |
|--|------------------------|------------|------------|------------------------|
| <b>General Debt</b>  |                        |            |            |                        |
| Structure 2004 CI Bonds for principle payments in Sept, not Mar                          | City Council 12/03/03  | 89985-0514 | (721,507)  |                        |
| Reduce Subsequent Yr. Debt Amount as less is needed                                      | City Council 12/03/03  | 89955-1001 |            | (320,000)              |
| Property tax shift to GF - funding for technical changes                                 | City Council 12/03/03  | 89955-1001 |            | (130,000)              |
| Property tax shift to GF - funding for Council staff addition                            | City Council 12/03/03  | 89955-7305 |            | (271,507)              |
| Reduce transfer from Library Agency as Library bonds will be issued instead of CI bonds. | City Council 12/03/03  |            |            |                        |
| <b>Total, Council's Changes</b>  |                        |            | (721,507)  | (721,507)              |
| <b>Mayor's Proposed Debt Budget</b>  |                        |            | 56,482,348 | 56,482,348             |
| <b>Council's Preliminary Debt Budget</b>   |                        |            | 55,760,841 | 55,760,841             |
| <b>Balance Indicator</b>   | <b>Current Status:</b> |            |            | 0                      |
|  |                        |            |            | <b>Balanced Budget</b> |

## Council Action Adopting the City Budget (page 4)

### 2004 Budget Process

12/17/03 3:00 PM FINAL

### Council's Fiscal Changes Special Funds

| Description  | Source of Recommendation            | Change from Mayor's - Adopted by Council |           |           |
|--|-------------------------------------|--|-----------|-----------|
|  |                                     | Line Item                                | Spending  | Financing |
| <b>City Attorney</b>   |                                     |  |           |           |
| Add funding for new Attorney (neighborhood focus)  | City Council, 11/26/03, Tech Change | 025-10204-0100                           | 65,000    |           |
| Use of Fund Balance  | City Council, 11/26/03, Tech Change | 025-10204-9830                           |           | 65,000    |
| <b>Citizen Services</b>  |                                     |  |           |           |
| Move NHPI spending budget to new NHPI budget   | City Council, 11/26/03, Tech Change | Fund 040                                 | (720,557) |           |
| Move NHPI financing budget to new NHPI budget  | City Council, 11/26/03, Tech Change | Fund 040                                 |           | (720,557) |
| <b>City Council</b>  |                                     |  |           |           |
| No changes to Mayor's Proposed Budget  | City Council 12/03/03               |  |           |           |
| <b>Financial Services</b>  |                                     |  |           |           |
| Adjust to Central Serv. Cost in LIEP, Parks, & Vendor Outreach                           | City Council, 11/26/03, Tech Change | 050-30117                                | (1,417)   |           |
| Financing adjustment related to the above entry  | City Council, 11/26/03, Tech Change | 050-30117                                |           | (1,417)   |
| Hotel/Motel Activity 30108 spending decrease in reserve                                  | City Council, 11/26/03, Tech Change | 050-30108-0389                           | (12,000)  |           |
| Hotel/Motel revenue in Activity 30108 (net of above 2 changes)                           | City Council, 11/26/03, Tech Change | 050-30108-0545                           | (98,135)  |           |
| Establish Vendor Outreach Prog. (Contr. Serv.) 5 FTE                                     | City Council, 11/26/03, Tech Change | 050-30108-1401                           |           | (110,135) |
| Establish Vendor Outreach Prog. (Contr. Serv.) Other Spending                            | City Council, 11/26/03, Tech Change | 124-11254-0xxx                           | 43,613    |           |
| Fees per Joint Powers Agreement  | City Council, 11/26/03, Tech Change | 124-11254-xxxx                           |           | 43,613    |
| <b>Fire and Safety Services</b>  |                                     |  |           |           |
| No changes to Mayor's Proposed Budget  | City Council 12/11/02               |  |           |           |
| <b>Human Rights</b>  |                                     |  |           |           |
| No changes to Mayor's Proposed Budget  | City Council 12/03/03               |  |           |           |
| <b>Libraries</b>   |                                     |  |           |           |
| See Public Library Agency  |                                     |  |           |           |
| <b>License, Inspection and Environmental Protection</b>                                  |                                     |  |           |           |
| Reduction in Central Service Cost due to reduction in FTEs                               | City Council, 11/26/03, Tech Change | 320-33351-0290                           | (4,400)   |           |
| Increase in Central Service Cost due to increase in FTEs                                 | City Council, 11/26/03, Tech Change | 320-33353-0290                           | 440       |           |
| Contribution to Fund Balance   | City Council, 11/26/03, Tech Change | 320-33351-9831                           |           | (3,960)   |
| Increase in Central Service Costs due to shift of FTEs                                   | City Council, 11/26/03, Tech Change | 167-31352-0290                           | 176       |           |
| Use of Fund Balance  | City Council, 11/26/03, Tech Change | 167-31352-9830                           |           | 176       |
| Recover legislative hearing costs (council contingency)                                  | City Council 12/17/03               | 320-33353-0548                           | 27,820    |           |
| Use of Fund Balance  | City Council 12/17/03               | 320-33353-9830                           |           | 27,820    |
| <b>Mayor's Office</b>  |                                     |  |           |           |
| Serve Minnesota Grant received 10/13/03  | City Council, 11/26/03, Tech Change | 050-30114-0100                           | 21,858    |           |
| Serve Minnesota Grant received 10/13/03  |                                     | 050-30114-0400                           | 7,122     |           |
| Serve Minnesota Grant received 10/13/03  |                                     | 050-30114-0200                           | 15,000    |           |
| Serve Minnesota Grant received 10/13/03  |                                     | 050-30114-0300                           | 5,000     |           |
| Use of Fund Balance  |                                     | 050-30114-9830                           |           | 48,980    |
| Federal Grant received late 2003 (Amencorp / Vista)                                      | City Council, 11/26/03, Tech Change | 050-30114-0545                           | 217,885   |           |
| Contribution from Outside Agency   | City Council, 11/26/03, Tech Change | 050-30114-4905                           |           | 217,885   |
| Education Initiative   | City Council, 11/26/03, Tech Change | 050-30114-0518                           | 40,000    |           |
| Use of Fund Balance  |                                     | 050-30114-9830                           |           | 40,000    |
| <b>Neighborhood Housing and Property Improvement</b>                                     |                                     |  |           |           |
| New NHPI spending budget from CSO budget   | City Council, 11/26/03, Tech Change |  | 720,557   |           |
| New NHPI financing budget from CSO budget  | City Council, 11/26/03, Tech Change |  |           | 720,557   |
| Recover legislative hearing costs (council contingency)                                  | City Council 12/17/03               | 040-30253-0548                           | 27,820    |           |
| Use of Fund Balance  | City Council 12/17/03               | 040-30253-9830                           |           | 27,820    |
| <b>Parks and Recreation</b>  |                                     |  |           |           |
| Star of the North Summer Games - Spending  | City Council, 11/26/03, Tech Change | 394-33150-0xxx                           | 241,000   |           |
| Star of the North Summer Games - Financing   | City Council, 11/26/03, Tech Change | 394-33150-xxxx                           |           | 241,000   |
| Environmental Coordinator Promotion  | City Council, 11/26/03, Tech Change | 860-33196-0xxx                           | 3,663     |           |
| (financed with fund balance)   | City Council, 11/26/03, Tech Change | 860-33196-9830                           |           | 3,663     |
| <b>Planning &amp; Economic Development</b>   |                                     |  |           |           |
| Add funding related to Project Manager II promotion (financed with Fund Balance)         | City Council, 11/26/03, Tech Change | 126-36075                                | 6,287     |           |
| Add funding to restore Principal Designer position (financed with Capital Project Funds) | City Council, 11/26/03, Tech Change | 126-36075                                | 117,042   |           |
|  |                                     |  |           | 117,042   |

# Council Action Adopting the City Budget (page 5)

03-1087

**2004 Budget Process**  
12/17/03 3:00 PM FINAL

**Council's Fiscal Changes  
Special Funds**

| Description   | Source of Recommendation            | Change from Mayor's - Adopted by Council |             |             |
|---|-------------------------------------|--|-------------|-------------|
|   |                                     | Line Item                                | Spending    | Financing   |
| <b><u>Police Department</u></b>                             |                                     |  |             |             |
| Existing Grants approved for additional funding             |                                     |  |             |             |
| LEBG VIII   | City Council, 11/26/03, Tech Change | 436-34197                                | (110,043)   |             |
| Adjust estimate to equal funding awarded                    | City Council, 11/26/03, Tech Change | 436-34197                                |             | (110,043)   |
| Auto Theft Prevention Project                               | City Council, 11/26/03, Tech Change | 436-34160                                | 53,011      |             |
| Setup activity for regular auto theft grant                 | City Council, 11/26/03, Tech Change | 436-34160                                |             | 53,011      |
| New Grants Received for 2004                                |                                     |  |             |             |
| Recruit Community Policing Officers                         | City Council, 11/26/03, Tech Change | 436-34076                                | 190,484     |             |
| Grant received from Federal Government (US Dept of Justice) | Pol Mgmt                            |  |             | 190,484     |
| Auto Theft/Recovery Grant - SIU                             | City Council, 11/26/03, Tech Change | 436-34076                                | 35,839      |             |
| Grant received from State of Mn (MN Dept of Public Safety)  | Pol Mgmt                            |  |             | 35,839      |
| Auto Theft/Recovery Grant - Juvenile                        | City Council, 11/26/03, Tech Change | 436-34079                                | 40,511      |             |
| Grant received from State of Mn (MN Dept of Public Safety)  | Pol Mgmt                            |  |             | 40,511      |
| Unused Grants Funds From 2003 Carried Over Into 2004        |                                     |  |             |             |
| Cops Technology 2002  | City Council, 11/26/03, Tech Change | 436-34060                                | 100,000     |             |
| Federal grant from 2002                                     | City Council, 11/26/03, Tech Change |  |             | 100,000     |
| Capital lease costs for new ticket writing system           | City Council, 11/26/03, Tech Change | 420-34013                                | 210,000     |             |
| Financing source to be determined                           | City Council, 11/26/03, Tech Change | 420-34013                                |             | 210,000     |
| <b><u>Public Health</u></b>                                 |                                     |  |             |             |
| No changes to Mayor's Proposed Budget                       |                                     |  |             |             |
| <b><u>Public Works</u></b>                                  |                                     |  |             |             |
| ROW Maint Assessment Fund Balance Financing                 |                                     |  |             |             |
| Downtown Streets 1-A  | City Council, 11/26/03, Tech Change | 225-42360-9830                           |             | (62,432)    |
| Downtown Streets 1-B  |                                     | 225-42361-9830                           |             | (2,258)     |
| Outlying Comm/Arterial Commercial and Residential           |                                     | 225-42362-9830                           |             | 90,020      |
| Residential Streets   |                                     | 225-42363-9830                           |             | 335,641     |
| Old & Paved Alleys  |                                     | 225-42364-9830                           |             | (3,220)     |
| Unimproved Street ROW                                       |                                     | 225-42365-9830                           |             | (6,978)     |
| Unimproved Alley ROW  |                                     | 225-42366-9830                           |             | (113)       |
| ROW Maint Assessment Revenue:                               |                                     |  |             |             |
| Downtown Streets 1-A  | City Council, 11/26/03, Tech Change | 225-42360-9830                           | 62,432      |             |
| Downtown Streets 1-B  |                                     | 225-42361-9830                           | 2,258       |             |
| Outlying Comm/Arterial Commercial and Residential           |                                     | 225-42362-9830                           |             | (90,020)    |
| Residential Streets   |                                     | 225-42363-9830                           |             | (335,641)   |
| Old & Paved Alleys  |                                     | 225-42364-9830                           |             | 3,220       |
| Unimproved Street ROW                                       |                                     | 225-42365-9830                           |             | 6,978       |
| Unimproved Alley ROW  |                                     | 225-42366-9830                           |             | 113         |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 205-12103-0548                           | (575,000)   |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 205-12103-0219                           | 575,000     |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 225-42310-0548                           | (77,917)    |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 225-42350-0548                           | (13,750)    |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 240-12006-0548                           | (15,278)    |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 240-12006-0548                           | (15,278)    |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 240-12007-0548                           | (15,277)    |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 260-22207-0548                           | (445,500)   |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 225-42310-0567                           | 77,917      |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 225-42350-0567                           | 13,750      |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 240-12006-0567                           | 15,278      |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 240-12006-0567                           | 15,278      |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 240-12007-0567                           | 15,277      |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 260-22207-0567                           | 91,667      |             |
| Move funding related to CMMS out of contingency             | City Council, 11/26/03, Tech Change | 260-22207-0219                           | 353,833     |             |
| <b><u>Technology &amp; Management Services</u></b>          |                                     |  |             |             |
| No changes to Mayor's Proposed Budget                       |                                     |  |             |             |
| <b><u>All Special Fund Department Budgets</u></b>           |                                     |  |             |             |
| <b>Total, Council's Changes</b>                             |                                     |  | 1,243,576   | 1,243,576   |
| <b>Mayor's Proposed Special Funds Budget</b>                |                                     |  | 193,128,063 | 193,128,063 |
| <b>Council's Preliminary Special Funds Budget</b>           |                                     |  | 194,371,639 | 194,371,639 |
| <b>Balance Indicator</b>                                    | <b>Current Status:</b>              | <b>Balanced Budget</b>                   |             |             |

03-1087

**2004 Budget Process**  
12/17/03 3:00 PM FINAL

**Council's Fiscal Changes  
Capital Improvement Budget**

| Description   | Source of Recommendation            | Log No.                | Spending     | Financing   | Financing Source |
|---|-------------------------------------|------------------------|--------------|-------------|------------------|
| <b>General Govt Accounts (Financial Services)</b>   |                                     |                        |              |             |                  |
| Revised sales tax revenue estimates of Dec. 10, 2003  |                                     |                        |              |             |                  |
| Neighborhood: Revenues  |                                     | CF-6600839             |              | (6,566,000) |                  |
| Neighborhood: Interest Earnings   |                                     | CF-6600839             |              | (252,396)   |                  |
| Neighborhood: Interest Earnings-Land Assembly Bonds   |                                     | CF-6600839             |              | 100,000     |                  |
| Neighborhood: Fund Balance  |                                     | CF-6600839             |              | 961,747     |                  |
| Neighborhood: Loan Repayments   |                                     | CF-6600839             |              | (720,608)   |                  |
| Neighborhood: Annual program  |                                     | CF-6600839             | (10,340,000) |             |                  |
| Neighborhood: STAR program  |                                     | CF-6600839             | 1,000,000    |             |                  |
| Neighborhood: Housing 5000  |                                     | CF-6600839             |              |             |                  |
| Neighborhood: Council Contingency   |                                     | CF-6600839             |              | 100,000     |                  |
| Neighborhood: Neighborhood Invest. Initiative   |                                     | CF-6600839             |              | 141,004     |                  |
| Neighborhood: Transfer to Debt Service Fund   |                                     | CF-6600839             |              | 2,621,737   |                  |
| Cultural: Revenues  |                                     | CF-6600839             |              | 1,366,820   |                  |
| Cultural: Interest Earnings   |                                     | CF-6600839             |              | 56,875      |                  |
| Cultural: Loan Repayments   |                                     | CF-6600839             |              | 28,218      |                  |
| Cultural: Use of Fund Balance   |                                     | CF-6600839             |              | 32,238      |                  |
| Cultural: STAR program  |                                     | CF-6600839             | 1,427,256    |             |                  |
| Cultural: Transfer to General Fund  |                                     | CF-6600839             |              | 56,875      |                  |
| RiverCentre: Revenues   |                                     | CF-6600839             |              | 5,467,200   |                  |
| RiverCentre: Interest Earnings  |                                     | CF-6600839             |              | 20,000      |                  |
| RiverCentre: Debt Service   |                                     | CF-6600839             | 5,153,265    |             |                  |
| RiverCentre: Repay Neighborhood Account   |                                     | CF-6600839             |              | 31,592      |                  |
| RiverCentre: Repay Cultural Account   |                                     | CF-6600839             |              | 6,318       |                  |
| RiverCentre: Repay General Fund   |                                     | CF-6600839             |              | 296,025     |                  |
| RiverCentre: Repay Neighborhood Account   |                                     | CF-6600839             |              |             |                  |
| RiverCentre: Repay Cultural Account   |                                     | CF-6600839             |              |             |                  |
| Correct interest earnings in the CIB budget to be transferred to Debt Service Fund 960 as called for in the 2004 Mayor's proposed budget (\$1M instead of \$750K).  | City Council, 11/26/03, Tech Change | CF-6600869             | 250,000      | 250,000     |                  |
| <b>Fire and Safety Services</b>   |                                     |                        |              |             |                  |
| Fire Station 88   | City Council 12/03/03               | CF-5501237             | 0            | 0           |                  |
| (add \$787,000 of prior-year CIB balance in 2003; \$3,643,000 of CIB in 2005)   |                                     |                        |              |             |                  |
| <b>Parks and Recreation</b>   |                                     |                        |              |             |                  |
| Add CIB funding for Wellstone Center  | City Council 12/03/03               | CF-0300707             | 696,000      | 696,000     |                  |
| Add CDBG prior-year balances for Wellstone Center (financing is prior-year funds from Rice St. Library) (add \$500,000 of prior-year CDBG funding for 2003; reduce 2005 CDBG funding to \$500,000; reduce 2007 CDBG funding to \$82,000)                    | City Council 12/03/03               | CF-0300707             | 604,000      | 604,000     |                  |
| <b>Planning &amp; Economic Development</b>  |                                     |                        |              |             |                  |
| Change Fund 149's 2004 amount to \$2,700,000. Out year amounts to \$2.7 million.  | City Council, 11/26/03, Tech Change | RE-5500838             | 500,000      | 500,000     |                  |
| <b>Public Libraries</b>   |                                     |                        |              |             |                  |
| Remove Lexington Library CIB prior-year balances  | City Council 12/03/03               | CF-5501082             | (954,000)    | (954,000)   |                  |
| Remove Lexington Library CDBG prior-year balances (Remove all other Lexington Library financing from 2005-07: 2005: \$4 million of CIB, \$304,000 of CDBG prior-year balances and \$300,000 sale of land 2006: \$1.5 million of CIB 2007: \$948,000 of CIB) | City Council 12/03/03               | CF-5501082             | (672,000)    | (672,000)   |                  |
| Remove 2004 Central Library repayment to HRA  | City Council 12/03/03               | CF-6600782             | (2,097,000)  | (2,097,000) |                  |
| <b>Public Works</b>   |                                     |                        |              |             |                  |
| Add CIB funding for Como Bike Lanes (add \$357,000 of CIB funding in 2005, and \$825,000 of federal funding in 2005)  | City Council 12/03/03               | SU-5500802             | 56,000       | 56,000      |                  |
| <b>Total, Council's Changes</b>   |                                     |                        | (1,122,928)  | (1,122,928) |                  |
| <b>Mayor's Proposed CIB</b>   |                                     |                        | 84,084,000   | 84,084,000  |                  |
| <b>Council's Preliminary CIB</b>  |                                     |                        | 82,961,072   | 82,961,072  |                  |
| <b>Balance Indicator</b>  | <b>Current Status:</b>              | <b>Balanced Budget</b> |              | 0           |                  |

## Glossary

*Activity.* An activity is a subunit of a fund. Each fund contains one or more activities, a specific and distinguishable budgetary unit of work or service. Activities are detailed levels of budget spending authority created to accomplish the approved objectives of the fund.

*Activity Manager.* Each activity manager shares in the authorities and responsibilities of the fund manager outlined below. In addition, each activity manager's responsibilities include attaining the performance objectives assigned to their activity, approving spending payments and directing the day-to-day operations of their activity.

*Activity Number.* A five (5)-digit number which uniquely identifies the activity. The first digit indicates the fund type while the second digit indicates the department.

### Fund type:

- 0 General Fund
- 1 Internal Service Funds
- 2 Enterprise Funds
- 3 Special Revenue Funds
- 4 Special Assessment Funds
- 5 Trust and Agency Funds
- 6 Permanent Improvement Revolving Funds
- 7,9 Bond Funds (includes Capital Improvement Bond Funds)
- 8 Debt Service Funds

### Department:

- 0 Administrative Units (includes: Affirmative Action, City Attorney, Citizen Service, City Council, Financial Services, Human Resources, Human Rights, Labor Relations, Licence Inspections and Environmental Protection and Mayor)
- 1 Technology and Management Services
- 2 Public Works
- 4 Police
- 5 Fire
- 6 Planning and Economic Development
- 9 General Government Accounts
- 11 Libraries (new structure)
- 31 Parks
- 32 Public Health
- 33 License Inspections and Environmental Protection
- 34 Libraries (old structure)
- 99 Debt Service

For example, Risk Watch (35115) is a special revenue fund activity in the Department of Fire and Safety Services. Similarly, accounting bureau (02020) is a general fund activity in the Public Works Department. See *Fund Number*.

*Allocation.* A portion of a lump-sum appropriation which is designated for expenditure by specific organizational units or for special purposes. See *Appropriation*.

*Appropriation.* An expenditure authorized by the city council for a specified amount, and time.

*Assessed Valuation.* The value that is established for real estate or other property by a government for use as a basis for levying property taxes.

*Bond.* A written promise to pay a specific sum of money (called the principal amount or face value) at a specified future date (called the maturity date) along with periodic interest at a specified rate.

*Budget Document.* The written record of the comprehensive financial plan the mayor presents to the city council for review, revision if deemed appropriate, and adoption.

*Capital Allocation.* Assignment of available capital (dollars) to specific uses.

*Capital Expenditure.* Actual spending of capital (dollars) for capital improvement projects.

*Capital Improvement.* The purchase or construction of durable/fixed assets. Examples include streets, bridges, parks or buildings.

*Capital Improvement Budget (C.I.B.).* A plan for capital expenditures (physical development of the City) to be incurred each year, over a fixed number of years, in order to meet capital needs arising from the long-term work program.

*Capital Outlay.* Equipment, machinery, vehicles, or furniture items included in the operating budget. See *Capital Improvement Budget*.

*Capital Projects Fund.* A fund established to account for all financial resources used for the construction or acquisition of major capital facilities, except those financed by special assessment, proprietary, or fiduciary funds.

*CIB.* Acronym for capital improvement budget.

*Debt Service Fund.* A fund established to account for the financial resources used for the payment of long-term general obligation debt principal, interest, and related costs.

*Division.* An organizational subunit of a department in the general fund. Each department has one or more divisions, which are responsible for one or more activities.

*Encumbrances.* Legal commitment of appropriated funds (in the form of purchase orders or contracts) to purchase goods or services to be delivered or performed at a future date. They cease to be encumbrances when paid or when the actual liability is created.

*Enterprise Fund.* A fund established to account for city operations that are financed and

## Glossary—Continued

operated in a manner similar to private business enterprises. The intent is that the costs (expenses, including depreciation) of providing goods and services on a continuing basis be financed or recovered primarily through user charges.

*Expenditures.* Total charges incurred, whether paid or unpaid, including the provision for retirement of debt not reported as a liability of the fund from which it will be retired, and capital outlays (for governmental funds and fiduciary funds, except non-expendable trust funds).

*Expenses.* Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges which benefit the current fiscal period (for proprietary funds and non-expendable trust funds). See *Expenditures*.

*FMS, or FM-80.* Reference to the City of Saint Paul's financial management computer system.

*F.O.R.C.E.* Acronym for focusing our resources on community empowerment. This is a unit within the Police Department dedicated to combat problems, at the neighborhood level, of street level narcotics, problem properties and disruptive behavior.

*Fiduciary Fund.* A fund established to account for resources held for the benefit of parties outside the government.

*Financing Plan.* Identifies sources of revenues that support the spending plan.

*Full Time Equivalent (FTE).* A personnel position which is financed for the equivalent of 80 hours per pay period, for 26.1 pay periods (a typical year), or 2,088 hours in a year. This is roughly equivalent to 40 hours per week for 52 weeks. For example, a .5 FTE would represent 20 hours per week for 52 weeks, or 40 hours per week for 26 weeks. A 1.0 FTE is a general reference to a position normally working for a year.

*Fund.* Each individual fund is a separate accounting entity having its own assets, liabilities, revenues and expenditures or expenses. City financial resources are allocated to, and accounted for, in individual funds based on legal, donor, or administrative restrictions or requirements. The individual funds are organized by fund type. See *Fund Type*.

*Fund Balance.* An equity account reflecting the excess of accumulated assets over accumulated liabilities and reserves (monies set aside for specific purposes).

*Fund Manager.* Fund managers are accountable to and receive authority from their department director and division manager, and ultimately from the mayor, the city council, and city residents/taxpayers. Each fund manager is responsible for correctly preparing and submitting the portion of the city's financial plan that is provided by their

fund. This includes a properly completed budget request consisting of performance, spending and financing plans. Fund managers are responsible for monitoring the collection of receipts, authorizing spending payments, cash flow planning, and service delivery in accordance with the adopted plan. Fund managers are also responsible for forecasting significant performance, spending or financing variances, determining their cause, creating a solution, and reporting such information to their department director and the director of the office of financial services. See *Performance Plan*, *Spending Plan*, and *Financing Plan*.

*Fund Number.* A three-digit number which uniquely identifies the fund. For example, the general fund is fund number 001, parks and recreation grant fund is 860 and the fire clothing trust fund is 736. There is no significance to the sequence of numbers. See *Activity Number*.

*Fund Type.* A classification of funds by similar purpose. The fund types are: governmental (general, special revenue, debt service, capital project, special assessment), proprietary (enterprise, internal service), and fiduciary (trust and agency funds). Although the city hall annex operating fund and the public works engineering fund are separate funds, they are the same fund type (internal service). See each fund type for its definition. Also see *Fund*.

*GIS.* Acronym for geographic based information systems.

*General Fund.* The fund used to account for all financial resources not specifically earmarked for other purposes. The general fund is the primary operating fund for the City of Saint Paul.

*Governmental Funds.* All funds other than fiduciary and proprietary funds. Includes the general fund, special revenue funds, capital projects funds, debt service funds, and special assessment funds. The measurement focus is on spending or financial flow rather than on net income. See *Fiduciary Funds* and *Proprietary Funds*.

*HACA.* Acronym for homestead and agricultural credit aid. See *State Aids*.

*HRPRBA, or HRMS.* Acronym for human resources, payroll, benefits administration. This acronym once referred to the development of the city's automated system for human resources, payroll, benefits administration.

*Internal Service Fund.* A fund established to account for the financing of goods or services provided by one city department to other city departments, divisions or funds on a cost-reimbursement basis.

*LGA.* Acronym for local government aid. See *State Aids*.

## Glossary—Continued

*LLEBG.* Acronym for local law enforcement grant, which is a federal grant program.

*MELSA.* Acronym for Metropolitan Library Service Agency.

*MSA.* Acronym for municipal state aids. See *State Aids*.

*Object Code.* A four-digit code assigned to a specific type of receipt or expenditure. A major object code is a grouping of expenditures or receipts on the basis of the types of goods or services purchased or rendered. For example, personal services, materials, supplies, and equipment are major object codes.

*Operating Budget.* The annual operating budget is the primary means by which most of the financing, acquisition, spending, and service delivery activities of a government are controlled.

*Operating Transfer In/Out.* Inter-fund transfers are legally authorized transfers between a fund receiving revenue and a fund where resources are expended.

*PED.* Acronym for planning and economic development department.

*Performance Plan.* A fund manager's estimate of the service level desired by the mayor, city council, and residents of the city. Includes mission statement, objectives and performance indicators.

*Permanent Fund.* A fund established to account for the custody and administration of assets held in a trust capacity. The assets held in a trust fund must be spent or invested in accordance with the conditions of the trust. Expendable trust funds are similar to governmental funds in that the measurement focus is on spending or financial flow rather than on net income. Non-expendable trust funds are similar to proprietary funds, with the measurement focus on determination of net income. See *Agency Fund* and *Fiduciary Fund*.

*P.I.R.* Acronym for public improvement revolving (fund).

*Proprietary Funds.* Any fund which attempts to determine net income. Measurement focus is on cost of services similar to private sector for-profit organizations. This category includes enterprise and internal service funds.

*Recoverable Expenditure.* An expenditure made for, or on behalf of, another governmental unit, fund, or department, private individual, firm, or corporation which will, subsequently, be recovered in cash or its equivalent.

*Retained Earnings.* An equity account reflecting the accumulated earnings of an enterprise or internal service fund which are not reserved for any specific purpose.

*Special Assessment.* Charges which the local government collects from property owners to pay for specific services or capital improvement projects such as streets, sewers, etc., which benefit a particular piece of real estate.

*Special Revenue Fund.* A fund established to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, and capital projects) that are legally restricted to expenditures for specified functions or activities.

*Spending Plan.* Provides a unit or subunit of an organization with spending authority to pay for the resources required to effectively accomplish the performance plan.

*STAR.* Acronym for sales tax revitalization program. This is also referred to sometimes as cultural sales tax revenue.

*State Aids.* The following are the major types of intergovernmental revenues received by the City of St. Paul from the State of Minnesota:

*Local Government Aid (LGA):* Begun in 1971, this program was designed to provide indirect property tax relief through the redistribution of income tax and sales tax revenues collected at the state level to local units of government. The amount of funding received by local units of government is based on a distribution formula determined by the Minnesota State Legislature. The distribution formula addresses "need" as well as "equity". Based on this distribution formula, current state LGA appropriations are not sufficient to fully fund the program. Consequently, adjustments in the amount distributed to cities and counties are made based on percent changes to past years' amounts. The 2001 State Legislature rolled the Homestead and Agricultural Credit Aid into Local Government Aid.

*Market Value Credit.* In 2003, each city receives an aid reduction equal to 9.3% of the city's levy plus aid revenue base. The levy plus aid revenue base is equal to the sum of the city's property tax levy for taxes payable in 2003, plus the sum of the amounts the city was certified to receive in 2003 as local government aid, existing low-income aid, new construction low-income housing aid; and taconite aid. The aid reduction is limited to 5.25% of the city total revenues for 2003. The aid reduction is applied first to the city's LGA, and then if necessary to the market value credit.

*Municipal State Aids (MSA).* This program is financed by motor vehicle related taxes collected at the state level. The state gasoline tax is the largest revenue source and the dollars collected are constitutionally dedicated for expenses related to MSA routes. The revenues are redistributed back to municipalities of 5,000 or more residents to be used for construction and maintenance of their MSA designated routes.

## Glossary—Continued

*Tax Increment District.* A tax increment district is a designated geographical area where a city is undertaking redevelopment or development activity. Any increase in assessed valuation due to new development activity is captured by the district. Property taxes levied against those captured values are used to finance the public improvement costs incurred to induce the private development activity. Public improvement costs can be financed by issuing bonds or by a pay-as-you-go plan.



## City of Saint Paul Budget Documents: General Description

The Mayor must propose to the City Council, by August 15 of each year, a complete financial plan for the next calendar year. After considering the Mayor's recommendations, the City Council must adopt the annual budget by December 20. The annual financial plan for the City of Saint Paul is composed of spending, financing and performance plans for three types of budgets: operating, debt service and capital improvements.

**Operating Budget:** The annual operating budget is a twelve-month financial plan that provides for the delivery of city services; support and planning for service delivery; routine maintenance; minor remodeling and repairs of existing structures; acquisition of vehicles, mobile, mechanical and office equipment; and other items having an estimated useful life of less than three years. The primary financing sources for the operating budget are property taxes, state aids, dedicated revenues, user charges, and grants.

The operating budget accounts for financial resources through various funds. The general fund, which is the largest of the city's operating funds, supports basic city services such as public safety and recreation. Other operating funds, commonly referred to as special funds, include internal service funds, enterprise funds, special assessment funds, special revenue funds and trust and agency funds, and support services that generally are financed by non-property tax revenues. For the majority of city funds, the modified accrual basis of accounting is used to budget and account for financial resources. Under this method, expenditures generally are recognized when incurred and revenues are recognized when they become both measurable and available. Internal service and enterprise funds use the accrual basis of accounting, however, where expenses are recognized when incurred and revenues are recognized when earned.

**Debt Service Budget:** The annual debt service budget provides for the payment of interest and principal on short and long term general obligation debt. It also includes reserves for a part of the following year's debt service. Primary financing sources for debt service budgets are property taxes, transfers from other funds, interest earnings, and dedicated revenues such as tax increments, special assessments to benefitted properties, and utility user fees. Debt service for revenue bonds is usually budgeted in a special fund budget.

**Capital Improvement Budget:** The annual capital improvement budget includes appropriations for all projects having an estimated useful life in excess of three

years (other than the acquisition of office or mechanical equipment, or minor remodeling or repairs of existing structures). Projects are financed with general obligation or revenue bonds, aids, grants, and special revenues received by the city for capital improvements, and all monies appropriated in the general fund and special fund budgets for capital projects. The capital improvement budget does not finance vehicles or mobile equipment.

Although the capital improvement budget is adopted annually, project selection and prioritization occurs on a biennial basis. A special citizen committee reviews project proposals submitted by civic organizations, neighborhood groups and city departments, and then develops project recommendations that serve at the basis for the mayor's proposed capital budget. When the biennial budget is adopted by the City, the first year becomes law, while the second year serves as a guide for the following year's appropriations. The capital improvement budget is also part of a ten-year program developed by the city's planning commission to plan for the physical development or redevelopment of city-owned land, buildings, and other improvements, as well as to induce the private development of housing and business facilities. Budget appropriations are multi-year in nature and remain until a project is either completed or canceled.

Starting with the 2004 budget, the library budget will no longer be included in this publication. This is a result of a resolution passed in 2003, to establish a separate library board. Therefore, beginning with 2004, the library budget will be published as a separate document.

### Budget Structure

Budgets are requested and approved at the activity level. Activities are aggregated into divisions in the general and special operating funds. Funds and divisions are then aggregated into departments or offices. Departments manage operating (general fund and special funds) budgets, debt service budgets, and capital improvement budgets. Overall management of the general operating fund is the responsibility of the director of the office of financial services.